

Docket no. JCT-002

Serial No. 10/084,523

**REMARKS**

Claims 1-22 remain pending in the present application. Claims 1-10 stand withdrawn from consideration pursuant to a restriction requirement issued by the Examiner. Claims 11-22 stand rejected on various grounds, discussed below.

**Rejections under 35 U.S.C. §103(a)**

Claims 11-22 stand rejected under 35 U.S.C. §103(a) as being obvious over Boyse et al. (U.S. Patent No. 6,569,427) in view of Annas ("Waste and Longing—the Legal Status of Placental-Blood Banking). Applicant traverses this base for rejection and respectfully requests reconsideration and withdrawal thereof.

At page 3 of the outstanding Office Action, the Examiner repeats the prior rejection by asserting that Boyse et al. discloses most of the limitations of the dependent claims hereof. However, the Examiner recognizes that Boyse et al. fails to disclose a key limitation of the presently claimed invention, which is dividing umbilical cord blood containing stem cells into at least two portions, one of which is sold or donated to defray storage costs of the other (claim 11).

The Examiner cites Annas for its disclosure of the newly discovered (at that time) value of umbilical cord blood and the fact that various companies have commercialized the storage of umbilical cord blood. This is, of course, the starting point for the present invention, and Applicant agrees with the Examiner's characterizations of the cited references up to this point.

However, in a leap of faith, the Examiner concludes that it would have been obvious to perform the dividing and selling steps of claim 11 in view of the cited references. Applicant respectfully submits that no such motivation to perform these steps is either disclosed in the references themselves, nor derivable therefrom by the skilled artisan. The repetitive recitation of conclusory obviousness statements by the Examiner at pages

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3-5 of the Office Action does not change the facts: that is, the cited references fail to support the Examiner's conclusions, and the Examiner's conclusions are therefore based upon an impermissible hindsight reconstruction of the present invention, based upon a reading of the present specification.

In specific, the Examiner states

the idea of selling cord blood to pay for storage costs was known, as evidenced by Annas. At the time of the claimed invention, it would have been obvious to one of ordinary skill in the art to sell cord blood as a method of paying for storage costs, since Annas teaches such practices were known to occur and since cord blood was known to have monetary value, as evidenced by Annas. (Office Action, page 3, last paragraph).

In fact, Annas does not disclose such a practice, and in fact teaches away from the same. Annas discloses

Some placental-blood-storage firms have policies that if the storage fees are not paid, the blood becomes the property of the company. Such policies inappropriately treat placental blood like a pawned watch. (Annas, p. 1524, first full paragraph).

Here, Annas does not disclose that the cord blood is subsequently sold, and certainly not first divided and then a portion sold, as in claim 11. And note that Annas disagrees with such policies. Later in the same paragraph, Annas discloses

Permitting the storage company to sell the placental blood to others for therapeutic use, on the other hand, *would create conflicts between the storage facility and both the donor (who benefits, if at all, only if the blood is retained in storage) and the recipient (who would want records kept of the donor even though the donors would not)*. (Emphasis added).

At this point, Annas argues against permitting the storage company to sell the placental blood. This statement is counter to the Examiner's argument

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that it would have been obvious to sell placental blood—Annas clearly argues against so doing. What in Annas' statement would provide motivation to the skilled artisan to sell umbilical cord blood? Nothing, unless read in the context with the present specification.

Importantly, this portion of the Annas reference also suggests that the *only benefit to be derived from the donor* is retention of the blood in storage, a benefit which cannot be realized upon legal conversion of ownership of the blood and its ultimate sale. *Annas contains no suggestion of a middle ground, in which both the donor can retain a benefit, and a recipient can obtain a benefit.* Such is the goal of the present invention; i.e. to provide a benefit to both donor and recipient.

Accordingly, Applicant respectfully submits that not only does Annas fail to support the Examiner's arguments, it actually teaches away from what the Examiner concludes as being obvious. As such, the references, neither alone nor in combination, can be said to establish a *prima facie* case of obviousness as to the present claims.

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Withdrawal of the rejections and allowance of the claims is requested.

Respectfully submitted



Jeffrey C. Trewella  
238 Hickory Drive  
Kennett Square, PA 19348  
(610) 347-0122  
(484) 557-0551 (mobile)

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